

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6590**

**BILL NUMBER:** HB 1642

**NOTE PREPARED:** Jan 13, 2003

**BILL AMENDED:**

**SUBJECT:** Tax credit for employer child care expenses.

**FIRST AUTHOR:** Rep. Hasler

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**

**GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** This bill establishes a state tax credit for an employer that makes qualified child care expenditures, qualified child care resource and referral expenditures, or qualified child care planning expenditures on behalf of its employees. The bill provides that the maximum amount of the credit for each taxable year is the lesser of \$20,000 or 40% of the employer's qualified expenditures. The bill provides that if the taxpayer shares qualified expenditures with one or more individuals or entities, the amount of the taxpayer's credit equals the taxpayer's percentage share of expenditures multiplied by the total credit amount calculated for all shared expenditures.

**Effective Date:** January 1, 2004.

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

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